

Filing at a Glance

Company: Shelter Mutual Insurance Company

Product Name: UMB

TOI: 17.1 Other Liability - Claims Made Only

Sub-TOI: 17.1021 Personal Umbrella & Excess

Filing Type: Rate

SERFF Tr Num: SHEL-125242103 State: Arkansas

SERFF Status: Closed

Co Tr Num: 03M66107

Co Status:

Authors: Brian Marcks, Sue

Burlingame

Date Submitted: 07-25-2007

State Tr Num: AR-PC-07-025582

State Status:

Reviewer(s): Alexa Grissom, Betty
Montesi, Brittany Yielding

Disposition Date: 07-31-2007

Disposition Status: Filed

Effective Date Requested (New): 09-07-2007

Effective Date Requested (Renewal): 09-07-2007

Effective Date (New): 09-07-2007

Effective Date (Renewal):

General Information

Project Name: Head

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 07-31-2007

State Status Changed: 07-26-2007

Corresponding Filing Tracking Number:

Filing Description:

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

With this filing we have revised basic premium rates, revised factors for higher limits of liability and revised several mandatory additional premiums. We have very limited experience for this line of insurance based upon the nature of the coverage it provides. We are proposing this rate revision at the request of our reinsurer.

For a more detailed description of these changes, please see the Explanatory Memorandum.

This filing will result in an overall revenue increase of 14.6% or \$73,299.

Company and Contact

Filing Contact Information

Brian Marcks, Coordinator of Insurance

Department Affairs

1817 West Broadway

Columbia, MO 65218

BCMarcks@shelterinsurance.com

(573) 214-4165 [Phone]

(573) 446-7317[FAX]

Filing Company Information

Shelter Mutual Insurance Company
1817 West Broadway
Columbia, MO 65218
(573) 445-8441 ext. [Phone]

CoCode: 23388
Group Code:
Group Name:
FEIN Number: 43-0613000

State of Domicile: Missouri
Company Type:
State ID Number:

Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Shelter Mutual Insurance Company	\$0.00	07-25-2007	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
1347423	\$100.00	07-24-2007

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Alexa Grissom	07-31-2007	07-31-2007
Filed	Alexa Grissom	07-30-2007	07-30-2007

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Revised Manual Page	Rate	Sue Burlingame	07-30-2007	07-30-2007

Disposition

Disposition Date: 07-31-2007

Effective Date (New): 09-07-2007

Effective Date (Renewal):

Status: Filed

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Shelter Mutual Insurance Company	14.600%	\$73,299	1,676	\$501,144	60.000%	2.500%	0.000%

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
	Revised Manual Page		Yes
Rate	Manual Pages	Filed	Yes

Disposition

Disposition Date: 07-30-2007

Effective Date (New): 09-09-2007

Effective Date (Renewal):

Status: Filed

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Shelter Mutual Insurance Company	14.600%	\$73,299	1,676	\$501,144	60.000%	2.500%	0.000%

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
	Revised Manual Page		Yes
Rate	Manual Pages	Filed	Yes

Amendment Letter

Amendment Date:

Submitted Date: 07-30-2007

Comments:

In our original filing we inadvertently failed to include Additional Residence (Rule 4.d.) farm exposure rates. Manual page GR-5 is attached with the corrected Additional Residence rates.

Changed Items:

Rate/Rule Schedule Item Changes:

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Numbers:	Attach Document:
Revised Manual Page	GR-5	Replacement		AR Corr GR-5, 09-07- 2007.pdf

Rate Information

Rate data applies to filing.

Filing Method:

File and Use

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

19.100%

Effective Date of Last Rate Revision:

06-28-2006

Filing Method of Last Filing:

File and Use

Company Rate Information

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Shelter Mutual Insurance Company	14.600%	\$73,299	1,676	\$501,144	60.000%	2.500%	31.400%

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
	Revised Manual Page GR-5		Replacement	AR Corr GR-5, 09-07-2007.pdf

RULES AND RATING INFORMATION

4. MANDATORY ADDITIONAL PREMIUMS (Con't.)

c. Licensed Operators Under Age 25

For **each** licensed operator under age 25, whether married or unmarried, including farm employees, a charge applies.

Charge per individual \$70

d. Additional Residence

For **each** additional residence, rental unit and set of farm buildings constituting a viable set of buildings to engage in a farming operation, a charge applies.

<u>Exposure</u>	<u>Occupancy</u>	<u>Charge per Residence</u>
Non-farm	Owner	\$ 9
Non-farm	Non-Owner	15
Farm	All	15

e. Business Activity / Business Pursuits

For **each** Business Activity / Business Pursuits Endorsement, whether underlying coverage is provided by an Office policy or by an Incidental Office Occupancy coverage extension, a charge applies.

Charge per Activity /Pursuit \$20

f. Watercraft

For **each** watercraft, the charge is as follows.

1) Outboards

(a) Over 25 HP but less than 50 HP	\$ 26
(b) 50 HP but less than 100 HP	38
(c) 100 HP and over	53

2) Inboards or Inboard/Outboards (including Personal Watercraft)

(a) Over 50 HP but less than 140 HP	\$ 23
(b) 140 HP and over	38

3) Sailboats – longer than 25 feet in length

(a) No auxiliary power	\$ 19
(b) Auxiliary power up to 140 HP	23
(c) Auxiliary power 140 HP and over	38

4) All boat types

Each boat with a HP to length ratio greater than 14 to 1 **\$ 75**

Supporting Document Schedules

		Review Status:	
Satisfied -Name:	Uniform Transmittal Document- Property & Casualty	Filed	07-30-2007
Comments: Please see attachments.			
Attachments: ARPCTD-1.pdf ARRRFS-1.pdf Explanatory Memo.pdf			

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">New Business</div> <div style="width: 55%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Renewal Business</div> <div style="width: 55%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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3. Group Name	Group NAIC #
Shelter Insurance Companies	123

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Shelter Mutual Insurance Company	MO	23388	43-0613000	

5. Company Tracking Number	03M66107
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Brian Marcks	Coordinator of Ins Dept Affairs	573-214-4165	573-446-7317	bcmarcks@shelterinsurance.com
	1817 W Broadway Columbia, MO				
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Brian Marcks		

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	17.0		
10.	Sub-Type of Insurance (Sub-TOI)	17.0021		
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	Personal Umbrella		
12.	Company Program Title (Marketing title)			
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)		
14.	Effective Date(s) Requested	New:	9-07-2007	Renewal: 9-07-2007

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
16.	Reference Organization (if applicable)			
17.	Reference Organization # & Title			
18.	Company's Date of Filing	7-25-2007		
19.	Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed	<input type="checkbox"/> Pending	<input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	03M66107
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Manual pages have been streamlined. Some information found in the policy form or endorsements has been removed. The sentence, "The policy form and endorsements should be consulted for exact contract coverages" has been added.

Factors for higher limits of liability, basic premium rates, and several mandatory additional premiums have been revised. The overall change in revenue is +14.6% for \$73, 299.

See the Explanatory Memorandum for a detailed description of the changes.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<div style="margin-bottom: 20px;"> Check #: 1347423 Amount: \$100 </div> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>	

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	03M66107
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A

☒ Rate Increase

☐ Rate Decrease

☐ Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	File & Use
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4a.	Rate Change by Company (As Proposed)
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
Shelter Mutual Ins Co	+31.4 CW Indications	+14.6	73,299	1676	501,144	+60.0	+2.5

4b.	Rate Change by Company (As Accepted) For State Use Only
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)		
5b.	Overall percentage rate impact for this filing	+14.6	
5c.	Effect of Rate Filing – Written premium change for this program	73,299	
5d.	Effect of Rate Filing – Number of policyholders affected	1676	

6.	Overall percentage of last rate revision	+19.1
7.	Effective Date of last rate revision	6-28-2006
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File & Use

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	GR-1 through GR-6	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

**SHELTER MUTUAL INSURANCE COMPANY
ARKANSAS
Personal Umbrella
Explanatory Memorandum**

SUMMARY

The manual pages have been streamlined. Some information found in the policy form or endorsements has been removed. The sentence, "The policy form and endorsements should be consulted for exact contract coverages" has been added.

Factors for higher limits of liability, basic premium rates and several mandatory additional premiums have been revised. The **overall change in revenue is +14.6% for \$73,299**. A detailed description follows.

GENERAL RULE (GR) PAGES

GR-3 1. Limit of Liability – Factors have been revised as follows, and a minimum premium for each increment has been added.

<u>Increased Limit</u>	<u>Current</u>	<u>Proposed</u>
\$ 2,000,000	1.50	1.55
\$ 3,000,000	1.85	2.10
\$ 4,000,000	2.10	2.60
\$ 5,000,000	2.35	2.90

GR-4 3. Basic Premium – rates have been revised as follows.

	<u>Current</u>	<u>Proposed</u>
a. Non-farm	\$ 190	\$ 200
Farm	\$ 220	\$ 240
b.	\$ 150	\$ 160

GR-4 & 5 4. Mandatory Additional Premiums – rates have been revised for the following.

	<u>Current</u>	<u>Proposed</u>
a. Licensed Vehicles	\$ 29	\$ 35
b. Unlicensed Vehicles	\$ 11	\$ 18
Maximum	\$ 55	\$ 90
c. Licensed Operators		
Under Age 25	\$ 45	\$ 70
d. Additional Residence		
Owner	\$ 6	\$ 9
Non-Owner	\$ 6	\$ 15

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Rate and Rule	Manual Pages	07-25-2007	AR GR-1 through GR-6 .pdf

GENERAL RULES AND REQUIREMENTS

1. GENERAL INSTRUCTIONS

The Personal Umbrella Liability Program is written only in the name of an individual and is designed for individuals who have a need for a broader personal liability protection or higher limits of liability than can normally be obtained under standard automobile or personal liability policies. This manual contains the rules and rates governing the writing of the Personal Umbrella Policy.

2. COVERAGE

The basic policy provides Personal Liability Protection for the insured. The insured's liability is covered with respect to Personal Injury and Property Damage.

The Policy provides excess coverage for claims where underlying policies are applicable. Coverage also extends to areas where there is no underlying insurance, subject to a retained limit by the insured.

The policy form and endorsements should be consulted for exact contract coverages.

3. POLICY TERM

The Personal Umbrella Policy may only be written with a term of twelve months.

4. PREMIUM ROUNDING RULE

The premium determined in accordance with any rule in this manual shall be rounded to the nearest dollar, separately for each item and coverage. For this purpose, an amount of fifty cents or more shall be considered a dollar.

5. CANCELLATION

It shall not be permissible to cancel any mandatory coverage in the policy unless the entire policy is cancelled. If the insurance is cancelled for any reason, the earned premium shall be computed on a pro-rata basis.

GENERAL RULES AND REQUIREMENTS

6. FARM PARTNERSHIPS

The appropriate charge(s) on each individual Umbrella policy will apply. In addition, add to each Umbrella policy the pro-rata portion of the portion of the otherwise applicable charge for any property in the name of a partnership, based on the number of partners for which our Umbrella policy is written.

For example, assume there are three partners in a farm partnership. Add one-third of the otherwise applicable charge for any property in the name of the partnership to each of the three Umbrella policies.

7. FARM CORPORATIONS

When a Farm Corporation is shown as an additional insured, corporately-owned property must be included in the rating of the policy providing coverage for the Corporation.

The rating of Farm Corporations is handled differently than for Farm Partnerships. All corporately owned property and the Additional Insured Endorsement will be shown and charged for on one Umbrella application.

For example, assume there are three members in a closed family farm corporation.

All individually owned property would be shown in the INDIVIDUAL EXPOSURES section of each Umbrella application. All corporately owned property would be shown and charged for under CORPORATION FARM EXPOSURES on the application for the principal owner in the corporation. In addition, the Additional Insured Endorsement would only be added to and charged for on the policy of the principal owner. If there is no principal owner in the corporation, one of the members should be designated to act as such for this purpose.

No corporate exposure of Additional Insured Endorsement will be shown or charged on the policies of non-principal owners. Their individual exposures will be covered by their own Personal Umbrella. Their exposure for the Farm Corporation will be covered under the Umbrella policy of the principal owner.

RULES AND RATING INFORMATION

1. LIMIT OF LIABILITY

- a. The Company's limit of liability shall be \$1,000,000 for **each accident**. When **prior Underwriting approval** is received, increased limits up to \$5,000,000 may be written. For the following limits, multiply the applicable premiums by the appropriate factors listed below.

<u>Liability Limit</u>	<u>Factor</u>
\$ 2,000,000	1.55
3,000,000	2.10
4,000,000	2.60
5,000,000	2.90

- b. A minimum policy premium is required for each increment of liability limit increase.

Minimum increase per increment **\$125**

NOTE: The aggregate limit of \$1,000,000 for **Pollution Liability** cannot be increased.

2. SELF INSURED RETENTION

If the coverage of underlying policies is not applicable to the occurrence, a minimum Self Insured Retention of \$1,000 applies. A higher retention may be purchased as indicated below.

<u>Retention Amount</u>	<u>Credit</u>
\$ 1,000	Base
5,000	\$ 2
10,000	\$ 4

RULES AND RATING INFORMATION

3. BASIC PREMIUM

- a. The premium for the basic policy contemplates coverage for not more than two automobile exposures and not more than two property exposures. The automobile exposures must be not more than
- 1) two private passenger automobiles (including motorcycles) or
 - 2) two trucks *not to exceed one ton or
 - 3) one private passenger automobile and one truck *not to exceed one ton.

* If truck exceeds one ton, a Licensed Vehicle charge must be made.

The property exposures must not be more than two owner residences for non-farm rated risks or not more than one farm residence or one set of farm buildings and one other owner occupied residence for farm rated risks.

<u>Exposure</u>	<u>Premium</u>
Non-farm	\$ 200
Farm	240

- b. If an insured
- 1) resides in an apartment and owns no real property and
 - 2) owns no motor vehicle and is not furnished a vehicle for regular use

Premium **\$ 160**

4. MANDATORY ADDITIONAL PREMIUMS

The following are mandatory additional premiums for **each** additional exposure. These premiums are to be added to the applicable basic premium.

The policy form and endorsements should be consulted for exact contract coverages.

- a. Licensed Vehicles

For **each** additional licensed vehicle owned or furnished for regular use, including private passenger automobiles, pickups, trucks, motor homes and motorcycles, an additional charge applies. (Additional premium is not required for more than two antique or limited use classic automobiles.)

Charge per vehicle \$35

- b. Unlicensed Vehicles

For **each** snowmobile, trail bike, and other unlicensed vehicles, including farm tractors, self propelled equipment, ATVs and golf carts, a charge applies. A maximum charge of \$90 applies to this coverage.

Charge per vehicle \$18

RULES AND RATING INFORMATION

4. MANDATORY ADDITIONAL PREMIUMS (Con't.)

c. Licensed Operators Under Age 25

For **each** licensed operator under age 25, whether married or unmarried, including farm employees, a charge applies.

Charge per individual \$70

d. Additional Residence

For **each** additional residence, rental unit and set of farm buildings constituting a viable set of buildings to engage in a farming operation, a charge applies.

<u>Occupancy</u>	<u>Charge per Residence</u>
Owner	\$ 9
Non-Owner	15

e. Business Activity / Business Pursuits

For **each** Business Activity / Business Pursuits Endorsement, whether underlying coverage is provided by an Office policy or by an Incidental Office Occupancy coverage extension, a charge applies.

Charge per Activity /Pursuit \$20

f. Watercraft

For **each** watercraft, the charge is as follows.

1) Outboards

(a) Over 25 HP but less than 50 HP	\$ 26
(b) 50 HP but less than 100 HP	38
(c) 100 HP and over	53

2) Inboards or Inboard/Outboards (including Personal Watercraft)

(a) Over 50 HP but less than 140 HP	\$ 23
(b) 140 HP and over	38

3) Sailboats – longer than 25 feet in length

(a) No auxiliary power	\$ 19
(b) Auxiliary power up to 140 HP	23
(c) Auxiliary power 140 HP and over	38

4) All boat types

Each boat with a HP to length ratio greater than 14 to 1 **\$ 75**

RULES AND RATING INFORMATION

4. MANDATORY ADDITIONAL PREMIUMS (Con't.)

g. Additional Acreage Charge

When the total number of acres exceeds 999, the following charge applies.

<u>Number of Acres</u>	<u>Premium</u>
1,000 – 4,999	\$10
5,000 – 9,999	19
10,000 and over	38

h. Additional Insured (B-510.1-B)

When an additional insured, such as a farm corporation is insured, the following charge applies.

Charge	\$19.
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